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2 **BILL NO. R-20-02-21**

3
4 **RESOLUTION NO. _____**

5
6 **A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FORT**
7 **WAYNE, INDIANA, REGARDING THE APPROPRIATION OF AVAILABLE**
8 **LOCAL INCOME TAX REVENUES TO PAY THE COSTS ASSOCIATED WITH**
9 **THE CONSTRUCTION OF COMPENSATORY FLOODWATER STORAGE AS**
10 **A RESULT OF AND REQUIRED BY DEVELOPMENT WITHIN A**
11 **FLOODPLAIN WITH REGARD TO AN ECONOMIC DEVELOPMENT**
12 **PROJECT FOR A NEW MIXED-USE PROJECT TO BE UNDERTAKEN BY**
13 **THE LOFTS AT HEADWATERS PARK, LLC AND FORT WAYNE GARAGE**
14 **ASSOCIATES, ONE, LLC (THE LOFTS AT HEADWATERS PARK PROJECT)**

15 WHEREAS, the Fort Wayne Redevelopment Commission (the
16 “Commission”), governing body of the City of Fort Wayne, Indiana, Department of
17 Redevelopment (the “Department”) and the Redevelopment District of the City of Fort
18 Wayne, Indiana, exists and operates under the provisions of the Redevelopment of Cities
19 and Towns Act of 1953, which has been codified in Indiana Code 36-7-14 et seq., as
20 amended from time to time (the “Act”); and

21 WHEREAS, the Commission has previously designated and declared in
22 accordance with the Act an area in the City of Fort Wayne, Indiana (the “City”), known
23 as the Civic Center Urban Renewal Area, to be a redevelopment area and an allocation
24 area (the “Area”), adopted a Redevelopment Plan, and established an allocation fund for
25 said Area; and

26 WHEREAS, the Commission has entered into an Economic Development
27 Agreement (“EDA”) with The Lofts at Headwaters Park, LLC and Fort Wayne Garage
28 Associates, One, LLC (the “Developers”), wherein the Developers agreed to develop and
29 construct a mixed-use building consisting of a multi-family component, a ground floor
30

1 commercial component and a parking structure, constituting an aggregate investment of
2 approximately Sixty-Seven Million Seven Hundred Fifty Thousand and No/100 Dollars
3 (\$67,750,000.00), to be located within the Area at the northeast corner of Clinton Street
4 and Superior Street in downtown Fort Wayne (the "Project"), and the Commission
5 agreed to provide certain economic development incentives; and
6

7 WHEREAS, the Commission has determined that the completion of the
8 Project is in the best interests of the citizens and taxpayers of the City and, to stimulate
9 and induce the completion of the development of the Project, the Commission agreed in
10 the EDA, subject to further proceedings as required by law, to provide certain economic
11 development incentives in exchange for the development of the Project; and
12

13 WHEREAS, the Commission agreed to provide support to the Project
14 pursuant to the EDA, including, but not limited to, the construction of compensatory
15 floodwater storage as a result of and required by the development of the Project within a
16 floodplain, as more particularly described on Exhibit A ("Compensatory Storage"); and
17

18 WHEREAS, the Commission has requested the appropriation of local
19 income tax revenues legally available to the City and allocated to economic development
20 pursuant to Indiana Code 6-3.6 ("LIT Revenues") in an amount not to exceed Six
21 Hundred Fifty Thousand and No/100 Dollars (\$650,000.00) to be allocated and paid to
22 the Commission for the purpose of paying the construction costs of the Compensatory
23 Storage; and
24

25 WHEREAS, the Common Council has determined that the completion of
26 the Project is in the best interests of the citizens and taxpayers of the City and desires to
27 provide for the stimulation and inducement of the Project and appropriate the LIT
28 Revenues as provided in this Resolution;
29
30

1 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON
2 COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:

3 1. The Common Council finds, determines, ratifies and confirms that
4 the Project is in the best interests of the citizens and taxpayers of the City of Fort Wayne
5 and will support the redevelopment goals of the City of Fort Wayne in the Area.
6

7 2. Pursuant to and in accordance with Indiana Code 5-1-14-4 and 6-
8 3.6-10-6, the Common Council does hereby appropriate an amount not to exceed Six
9 Hundred Fifty Thousand and No/100 Dollars (\$650,000.00) of the LIT Revenues to the
10 payment of the costs of constructing the Compensatory Storage.
11

12 3. This Resolution, and the appropriation of LIT Revenues set forth
13 herein, shall be binding and in full force and effect from and after the time it has been
14 adopted by Common Council, approved by the Mayor and otherwise executed and
15 delivered in accordance with any and all laws appertaining thereto.
16
17

18 _____
Council Member

19 APPROVED AS TO FORM AND LEGALITY:
20
21

22 _____
Carol Helton, City Attorney
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EXHIBIT A

Description of Compensatory Stormwater Storage

A portion of the Lofts at Headwaters Park project is located within the 100-year Floodplain. Development within the Floodplain requires that the volume of space occupied by new fill or structure below the base flood elevation be compensated for and balanced by an equivalent volume of excavation taken below the base flood elevation within the same Floodplain. The excavation volume must be at least equal to the volume of storage lost (replacement ratio of 1 to 1) due to the fill or structure. Engineering estimates for the project state that approximately 7,792 cubic yards of fill and structure will be added below base flood elevation. Therefore, 7,792 cubic yards of compensatory storage must be created.

Approximately 2,112 cubic yards of compensatory storage was created during the construction of Promenade Park. Two hundred cubic yards of the Promenade Park volume have been dedicated to compensatory storage for the Riverfront at Promenade Park project. The remaining 1,912 cubic yards can be applied to the Lofts at Headwaters.

The parking lot on the south side of 4th Street, across from Lawton Park, was selected as a location for the remaining 5,880 cubic yards of compensatory storage based upon proximity to the project site, location in the Floodplain, and governmental site control. Creating compensatory storage at this location involves excavating approximately three feet of soil across the existing parking lot and rebuilding the parking lot at a lower elevation. The parking lot must be paved as a condition of approval from the Board of Zoning Appeals. A preliminary design concept and budget are contained below. Site conditions, labor, material availability, and other factors may affect this cost estimate, so a reasonable contingent has been included.

Lawton Park Comp. Storage Cost Estimate - Preliminary Engineering

Line	Description	Estimated Quantities	Units	Unit Price	Estimated Cost (Rounded)	Conversion/ Percent
1	Demolition					
2	Gravel Removal	3,500	SY	\$ 10	\$ 35,000	
3	Asphalt Path Removal	650	SY	\$ 15	\$ 9,800	
4	Sidewalk Removal	560	LF	\$ 15	\$ 8,400	
5	Clear and Grubbing	1	LSUM	\$ 15,000	\$ 15,000	
6	Replace Sanitary Manhole	1	EA	\$ 4,500	\$ 4,500	
7				Estimated Demolition Cost	\$ 68,200	
8	Parking Lot					
9	Excavation	6,750	CY	\$ 8	\$ 54,000	
10	Hauling Excess Soil	6,750	CY	\$ 12	\$ 81,000	
11	Parking Lot Asphalt	3,150	SY	\$ 55	\$ 173,300	
12	Path Asphalt	650	SY	\$ 50	\$ 32,500	
13	Sidewalk Concrete	510	LF	\$ 75	\$ 38,300	
13	Relocated Lights	5	EA	\$ 500	\$ 2,500	
14	Seeding & Mulch	2,500	SY	\$ 2	\$ 5,000	
15	Erosion Control Blanket	2,500	SY	\$ 4	\$ 10,000	
16				Estimated Parking Lot Cost	\$ 396,600	
17	Miscellaneous					
18	Construction Contingencies (10%)	1	LS	\$ 47,000	\$ 47,000	10.0%
19	Construction Surveying (3%)	1	LS	\$ 15,000	\$ 15,000	3.0%
20	Construction Mobilization/Demobilization (5%)	1	LS	\$ 24,000	\$ 24,000	5.0%
21	Maintenance of Traffic (5%)	1	LS	\$ 24,000	\$ 24,000	5.0%
22	Bonding and Insurance (2%)	1	LS	\$ 10,000	\$ 10,000	2.0%
23				Estimated Miscellaneous Cost	\$ 120,000	
24						
25				Estimated Total Construction Cost	\$ 684,800	
26						
27	Notes and Assumptions					
28	All costs are estimates based on the engineer's knowledge of common construction methods and materials. Christopher					
29	B. Burke Engineering does not guarantee that the actual bid price will not vary from the costs used with this estimate.					
30	All costs are in 2019 dollars.					
31	Estimated costs have been rounded.					
32	This estimate does not include unforeseen costs increases that may result from shortages in fuel and materials as a result					
33	of a natural or man-made disaster.					
34	Hauling costs have been estimated assuming a 20-minute 1-way haul distance.					
35	This estimate does not include easement, right-of-way, or land acquisition costs.					

PRELIMINARY DESIGN CONCEPT. ACTUAL DESIGN MAY VARY
BASED UPON BUDGET AND FIELD CONDITIONS



COMPENSATORY STORAGE:

VOLUME CREATED: 6,500 CUBIC YARDS

PARKING SUMMARY:

TOTAL PARKING SPACES: 82 SPACES

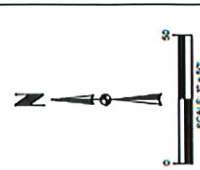
*ALL BELOW 50-YEAR FLOODING EVENT

LEGEND:

- PROPOSED PARKING LOT
- LOWERED/RELOCATED TRAIL

FLOOD ELEVATIONS:

- 100-YEAR: 757.0
- 50-YEAR: 755.3
- 25-YEAR: 753.0



	Christopher B. Burke Engineering, LLC PNC Center, Suite 1363 South 115 West Washington Street Indianapolis, IN 46204 (317) 266-9000 (317) 632-3306	PROJECT: Chub Soda Compensatory Storage TITLE: Lawton Park Modification Exhibit	PROJECT NO: 19-014-00000 DATE: 06/20/19 EXHIBIT: EXH1
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DIGEST SHEET

TITLE OF RESOLUTION. A Resolution of the Common Council of the City of Fort Wayne, Indiana, regarding the appropriation of available local income tax revenues to pay the costs associated with the construction of compensatory floodwater storage as a result of and required by development within a floodplain with regard to an economic development project for a new mixed-use project to be undertaken by the Lofts at Headwaters Park, LLC and Fort Wayne Garage Associates, One, LLC (The Lofts at Headwaters Park project)

DEPARTMENT REQUESTING RESOLUTION. Redevelopment Commission.

SYNOPSIS OF RESOLUTION. A portion of the project site is located in the 100-year floodplain. Floodplain regulations require that the volume of space occupied by new fill, or occupied by a structure below the base flood elevation, be excavated in the same floodplain area at a ratio of 1:1, so that new development does not exacerbate flood risk. This resolution approves an appropriation of local income tax ("LIT") revenues to pay for construction of compensatory floodwater storage sufficient to comply with floodplain regulations. The Commission will solicit bids for this project through the public bidding process.

EFFECT OF PASSAGE. Passage of the resolution and construction of compensatory storage will comply with the floodplain ordinance, thereby overcoming a significant regulatory hurdle on a challenging site.

Construction of the project will provide many benefits to the community, including (i) public parking in an area with an urgent need for additional parking spaces, (ii) substantial additions to the downtown housing and commercial market, which is an essential element of resident and business attraction, and (iii) annual property tax revenue generated by a type of development that typically has low per capita public service costs.

EFFECT OF NON-PASSAGE. This \$67.75 million dollar investment will not move forward if compensatory floodwater storage is not created. Non-passage of the resolution will require another source of funding to be secured for compensatory storage construction.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS). The preliminary cost estimate for construction of the compensatory storage and restoration of the compensatory storage site is \$584,800. The Commission requests a LIT appropriation of \$650,000 to provide contingency funds for unanticipated labor and material costs, unanticipated site conditions and other variable costs.

ASSIGNED TO COMMITTEE (PRESIDENT). _____



COMMUNITY DEVELOPMENT REDEVELOPMENT

Thomas C. Henry, Mayor

City of Fort Wayne
Community Development
200 East Berry Street, Suite 320
Fort Wayne, IN 46802

260-427-2150 fwcommunitydevelopment.org

February 20, 2020

MEMO

To: City of Fort Wayne Common Council

Copy: City of Fort Wayne Redevelopment Commission

From: Nancy Townsend, Executive Director, 427-2323

Re: **Resolution appropriating local income tax ("LIT") revenues to pay costs associated with construction of compensatory floodwater storage for an economic development project called the Lofts at Headwaters Park**

This memo requests Common Council approval of one of five resolutions that must be considered to support an economic development project called the Lofts at Headwaters Park to be undertaken in downtown Fort Wayne. The project, located at the northeast corner of Superior Street and Clinton Street, will consist of approximately 232 dwelling units, 12,000 square feet of ground floor commercial space, and 651 parking spaces at an investment of approximately \$67,750,000.

Enclosed herewith, please find a digest sheet, a resolution appropriating LIT revenues for construction of compensatory floodwater storage, and supporting documentation.

As additional background, on February 10, 2020, the Commission approved an economic development agreement, a pledge of project-generated tax increment revenue and net parking revenue, a parking lease, and a remediation and indemnification agreement in furtherance of the project. The Common Council's approvals and appropriations are necessary due to the scope and complex nature of the project and site. The following resolutions encompass all anticipated Common Council actions that will be needed to support the project:

- Approval of a parking structure lease and appropriation of LIT revenues (the appropriation of LIT revenues is needed to cover shortfalls in annual rent)
- Appropriation of LIT revenues for construction of compensatory floodwater storage
- Appropriation of LIT revenues for soil remediation and removal
- Approval of a soil remediation and indemnification agreement
- Approval of an intergovernmental property transfer for Duck Street

With the exception of the resolution attached to this memo, the resolutions above will be delivered to the Council under separate cover.

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